

**REQUEST FOR PROPOSALS**  
**BOULDER, UTAH SCHOOL TRUST PARCEL**

**Introduction**

The State of Utah, School and Institutional Trust Lands Administration (“SITLA”), seeks proposals for the purchase, lease, joint venture or exchange of a 478 acre parcel of state school trust land south of the Town of Boulder in Garfield County, Utah. Proposals may be submitted for the parcel as a whole or for one or more of three defined sub-parcels, as described below. SITLA is willing to entertain proposals for conservation alternatives, including purchases, conservation easements, transfers of development rights, and private exchanges.

**About School Trust Lands**

At statehood, Congress granted the State of Utah lands to be held in trust at statehood for the financial support of Utah’s public schools and other public institutions. SITLA manages approximately 3.5 million acres of state trust lands statewide, primarily for the benefit of public education. Revenue from school trust lands is deposited in the Permanent School Fund, a perpetual endowment for Utah’s K-12 public schools. Income from the Permanent School Fund is distributed annually to each K-12 public and charter school in the state to fund special academic projects on a school-by-school basis. SITLA is required by law to manage school trust lands for the sole benefit of the educational beneficiaries of the school trust.

**The Subject Property**

The Subject Property is a 478.54 acre parcel comprising the S½, S½NW¼, SE¼NE¼, and Lot 4 of Section 2, Township 34 South, Range 4 East, Salt Lake Base & Meridian. It is located within the town boundaries of Boulder, Garfield County, Utah, as shown on the attached locator map. As of January 1, 2008, the entire property was zoned Greenbelt Multiple Use (GMU). Permitted Uses under the GMU zone include one family dwelling with a minimum lot size of five acres, grazing, agricultural buildings, and open space. Parties responding to this Request for Proposals (RFP) are responsible for verifying current zoning.

The Subject Property ranges in elevation from approximately 6,395 feet along Boulder Creek, which bisects the property from north to south, to just over 6,660 feet on the bluff on the eastern portion of the property. For purposes of this RFP, the Subject Property has been divided into three sub-parcels, based upon their distinct physical characteristics. Parcel 1 is approximately 100 acres on the east side of the Subject Property largely comprised of the mesa

top east of Boulder Creek. Parcel 2 contains 160 acres, and is largely comprised of the valley floor along Boulder Creek in the central portion of the Subject Property. Parcel 3 is located on the west side of the Subject Property. It contains approximately 218 acres, and is comprised of both a mesa top on the northwest corner of the Subject Property as well as largely inaccessible lands in Dry Hollow in the southwest corner of the property. Maps showing the property and the designated parcels are also attached to this RFP.

### **Access**

The State, through SITLA has applied for a right-of-way from Utah Highway 12, which lies approximately 1/3 mile from the northwest corner of Parcel 3, from the U.S. Bureau of Land Management, Boulder Town, and the U.S. Forest Service, which control the intervening land. Most of the proposed route would traverse an existing road to the mesa in the north portion of Parcel 3. The BLM has issued an environmental assessment on the right-of-way application, but has not made a final determination. A portion of the proposed route is owned by the Town of Boulder, which acquired its lands from BLM. SITLA believes but does not warrant that it has valid rights under federal law to utilize the existing road to obtain access to Parcel 3 in the event that the ROW is not granted. Another physical access route accesses Parcel 1 from the north. This route is within Boulder Town's incorporated boundary and is designated as a private lane to access various parcels of private land. However, a landowner to the north has recently blocked access on this road. SITLA believes but does not warrant that it has valid legal rights to utilize this road for access to Parcel 1. Parties responding to this RFP are responsible for verifying the availability of physical and legal access to the Subject Property, and SITLA makes no representations or warranties with respect to access.

### **Water Rights; Utilities; Other Conditions**

The State, through SITLA, owns two certificated water rights associated with the Subject Property, designated as Water Rights #97-643 and 97-895. These water rights permit watering of 200 equivalent livestock units (being one horse or one cow) along Boulder Creek within the Subject Property. These water rights are available for conveyance in any transaction associated with the Subject Property. Parties responding to this RFP are responsible for verifying the terms and conditions of such water rights with the Utah Division of Water Rights. No utilities (electric, water, etc.) are located on the Subject Property. The Subject Property is currently encumbered by State of Utah grazing permit no. 20479, in favor of Shane V. Robison. This permit will expire on June 30, 2010, and may be terminated upon sale or transfer of the property. The property is also encumbered by a right-of-way for a ditch, water pipeline and settling pond associated with grazing use, held by the Robison Family Trust. This right-of-way will expire on January 12, 2015.

SITLA is not aware of any hazardous environmental condition associated with the Subject Property, but has not taken steps to verify the presence or absence of hazardous materials. Parties responding to this RFP are responsible for verifying the environmental condition of the Subject Property.

The Subject Property constitutes raw, unimproved land, and will be conveyed as-is without any further improvements or actions by SITLA. Significant topographic features and hazards, lack of legal or physical access, and other conditions, known or unknown, may significantly limit the utility of the Subject Property for an acquiring party's intended use. SITLA encourages parties responding to this RFP to visit the Subject Property.

Any future conveyance of the Subject Property will be by state patent, without warranty, and subject to existing reservations and encumbrances. Any conveyance will reserve the entire mineral estate in the Subject Property to the State of Utah, together with the right to access the same.

## **Request for Proposals**

### **Summary**

SITLA seeks proposals for the purchase, lease, joint venture, exchange or other transaction for the Subject Property. Proposals may address the entire Subject Property, designated sub-parcels, or both. SITLA will welcome proposals that contemplate conservation uses of the Subject Property or alternative transactions such as transfer of development rights. However, SITLA will not consider proposals where the proposer's obligations are contingent on future purchase or exchange by the United States or a third party.

### **Proposal Contents**

- **Type of Proposed Transaction.** The proposal should address whether the proposer seeks sale, lease, joint venture, conservation transaction or exchange for the Subject Property or part thereof.
- **Parcels.** The proposal should specify the entire Subject Property or designated sub-parcels.
- **Terms of Proposed Transaction.** The proposal should contain detailed terms for the proposed transaction, including without limitation: (a) if purchase is proposed, the purchase price, any contingencies to closing, date of closing, and whether financing is requested;<sup>1</sup> (b) if a lease is proposed, the term of the proposed lease, annual rentals, rental escalators, and proposed leasehold uses; (c) if a joint venture, a detailed statement of the anticipated use of the property, a detailed statement of the proposed financial terms of the transaction, and a pro forma of projected expenses, revenues and distributions; (d) if a land exchange is proposed, the specific property proposed for exchange to the school trust, valuation and title information concerning the exchange property, and any contingencies to closing; and (e) if an

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<sup>1</sup> SITLA is willing to finance qualified purchasers on the basis of 25% down, with the balance amortized on a 20 year basis at prime +2.5%, adjusted annually, with a balloon payment of all outstanding principal and interest at three years.

alternative transaction, a detailed statement of all financial and non-financial terms of the proposed transaction.

- Qualifications. The proposal shall include detailed information concerning the qualifications of the proposer to complete the proposed transaction, including financial capacity, project experience, and other information relevant to the merits of the proposal.

### **Evaluation of Proposals**

SITLA will evaluate all proposals to determine which proposal, or combination thereof, best meets its mandate of managing school trust lands prudently and profitably for the benefit of Utah's school trust. Factors to be considered will include: (a) long-term financial return to the school trust; (b) contingencies to and timing of completion of transaction; (c) administrative time and costs of proposed transaction. After proposals are submitted, SITLA may in its sole discretion negotiate with one or more proposers, or reject all proposals. This solicitation of proposals is not intended as an offer to convey the Subject Property; any transaction will require negotiation of final transaction documents, approval by the Attorney General's office, and execution by SITLA's director before becoming final.

### **Submittal of Proposals**

All proposals should be submitted by the close of business on Friday, July 31, 2008 as follows:

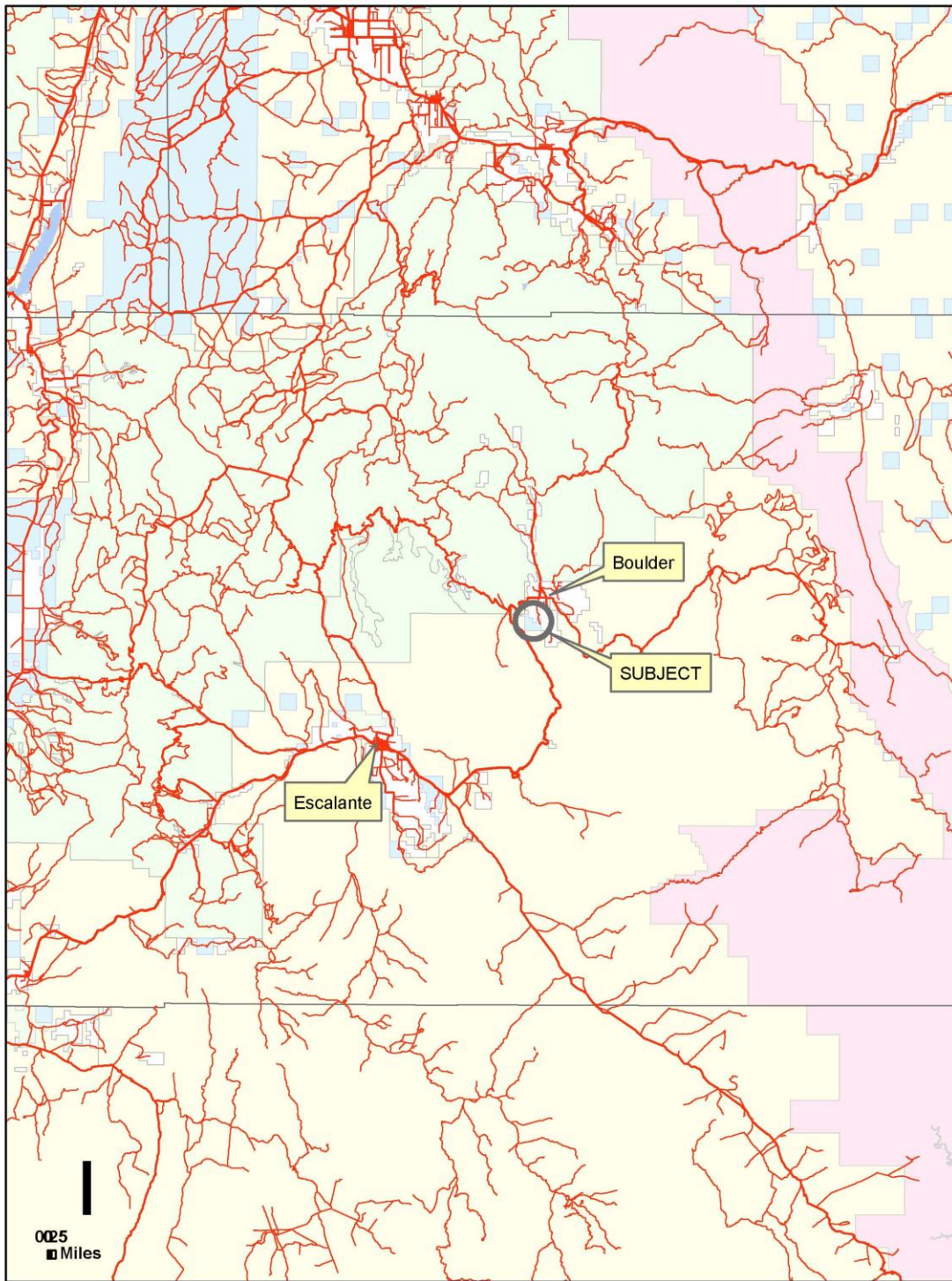
Utah School & Institutional Trust Lands Administration  
Attn. Lou Brown  
130 North Main  
Richfield, Utah 84701-2154

Electronic submissions may be made to [loubrown@utah.gov](mailto:loubrown@utah.gov).

Proposals will remain confidential until a decision is reached to either proceed with one or more transactions or reject all proposals. Any financial or business information that a proposer wishes to remain confidential must be labeled as business confidential and accompanied by a statement of the reasons for the request of business confidentiality.

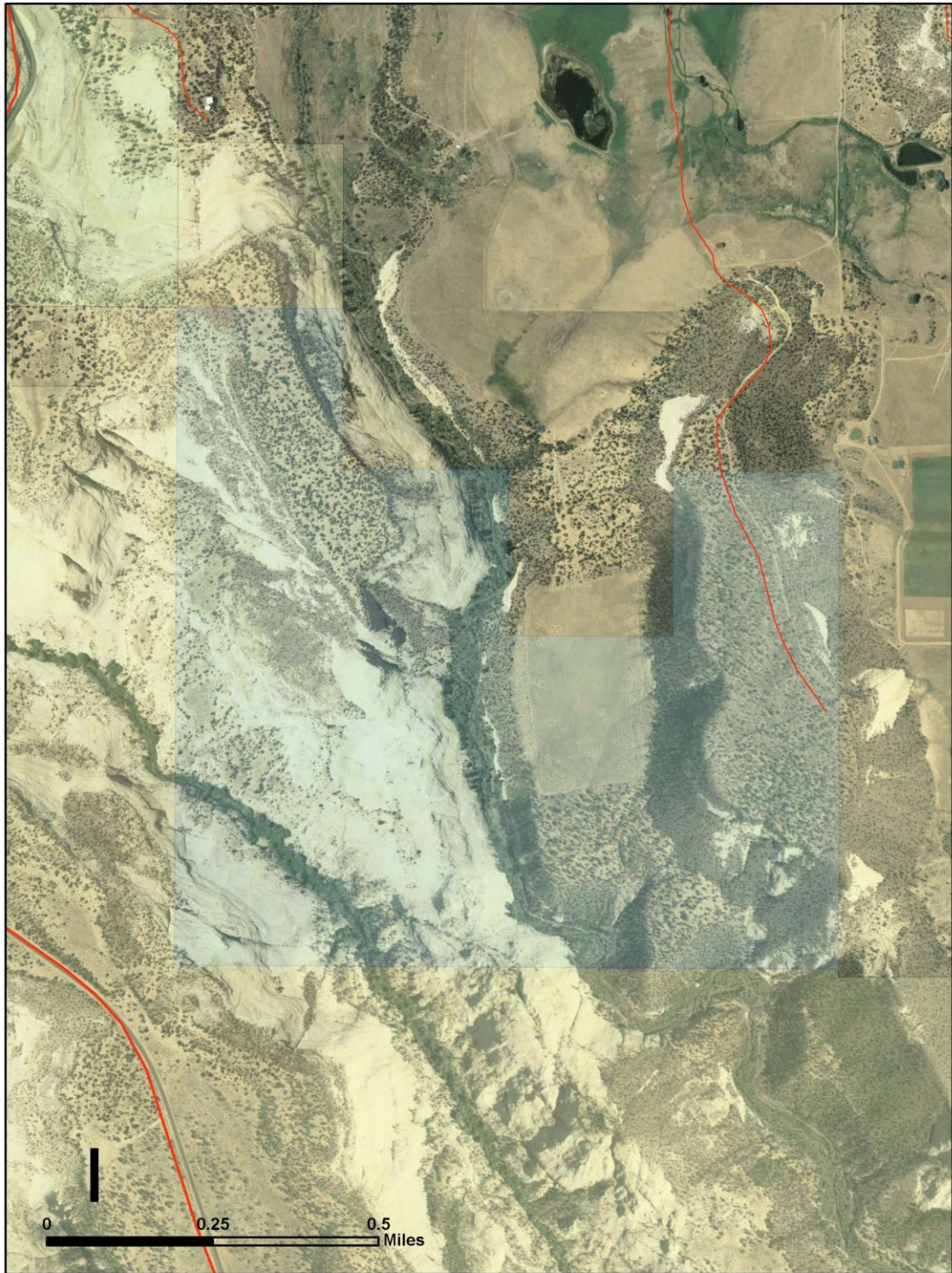
Any questions concerning this Request for Proposal should be addressed to Lou Brown at (435) 896-6494 or at the above e-mail

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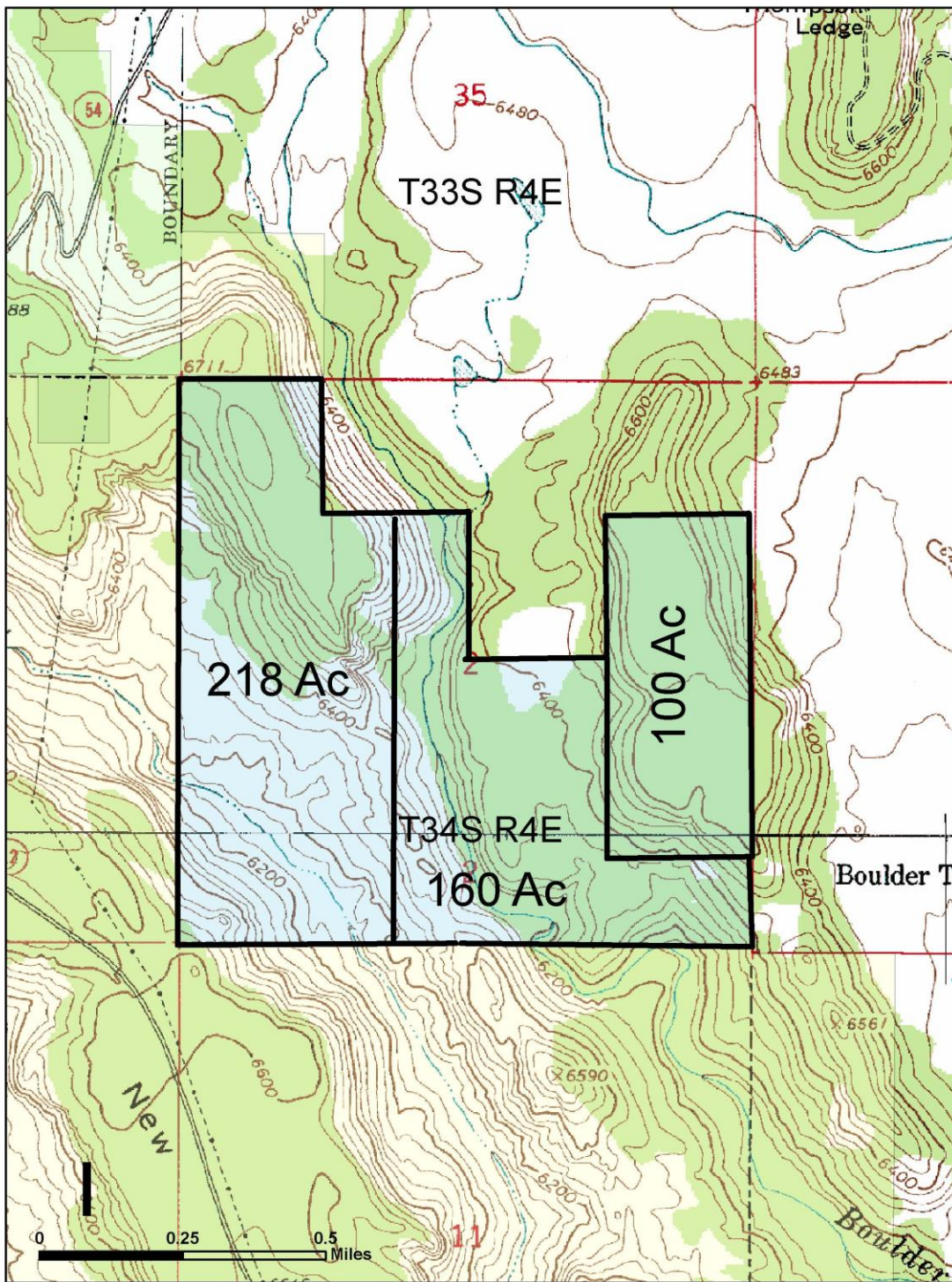
LOCATOR MAP - BOULDER SECTION





T34S, R4E, Sec. 2





Boulder Section 2, Three parcels